



United States  
Department of  
Agriculture

Food and  
Nutrition  
Service

Mountain  
Plains  
Region

1244 Speer Boulevard  
Denver, CO 80204

MAY 18 1989

Reply to  
Attn. of: CCFP-146

Subject: Policy Clarification on Adult Day Care Provisions - Title III Meal Funding

To: STATE AGENCY DIRECTORS - Colorado DH, Iowa, Kansas, Missouri DH,  
(Special Nutrition Programs) Montana DHES, Nebraska ED, North Dakota,  
South Dakota, Utah and Wyoming ED

The following provides further guidance on policies forwarded in CCFP-122 (dated March 21, 1989) related to the use of funds and commodities provided under Title III of the Older American's Act of 1965 (OAA), as amended, in adult day care centers participating in the Child Care Food Program (CCFP).

Public Law 100-175 required that CCFP regulations "...contain provisions designed to assure that (CCFP) reimbursement...shall not duplicate reimbursement under Part C of Title III of the Older Americans Act of 1965, for the same meal served." The conference report which accompanied the legislation clarified this provision by stating that adult day care centers could receive funds under both the CCFP and Title III, but that they "...could not, however, receive benefits or reimbursement from both programs for the same meals served." As stated in CCFP-122, we believe that Congressional intent is clear regarding this provision -- a single meal may not be supported by funds from both CCFP and Title III. Title III benefits include all benefits provided under Part C of Title III of the OAA, including commodities (or cash-in-lieu of commodities) authorized by the OAA and provided by this Department, and nutrition grants authorized by the OAA and provided by the Department of Health and Human Services.

#### Accounting for Funds


CCFP facilities must ensure that the meals for which they claim CCFP reimbursement, whether prepared on-site or prepared by vendors, are not supported by Title III. This means that an adult day care center receiving funds from both Title III and CCFP will be required to implement a financial management system which can show that Title III funds are not being used to support CCFP meals. In States in which Title III funds are not disbursed on a per meal basis, it may be necessary for the adult day care center to develop a cost-based accounting system to identify all of the elements of the cost incurred to provide the meal. This is especially true of centers which use Title III benefits to buy kitchen appliances or other materials which may be used to produce all meals served in the center.

Vendors Using Title III Funds

We have been made aware of situations in which a facility that received Title III benefits serves some of the meals that it makes to its own enrollees while selling the rest of the meals to other facilities, passing the benefits of the Title III assistance on to the buyer through lower meal prices. In some cases, the facilities to which the meals are sold are facilities which receive CCFP reimbursement.

Since CCFP reimbursement cannot be claimed for meals already receiving Title III assistance, CCFP facilities must ensure that Title III funds or commodities were not used in the meals which they have bought. Adult day care centers purchasing meals from other than clearly commercial vendors must make a determination that the meals they are receiving are not supported by Title III funds. The meal vendor should be able to provide them with this information.

If you have any questions on the above policies, please contact our office.



ANN C. HECTOR  
Regional Director  
Special Nutrition Programs